

C & I BOARD MEETING MINUTES
BATON ROUGE, LOUISIANA
JUNE 25, 2003

Board Members Present: Chairman Arthur D. Green, Leonard Kleinpeter, John Friend, Harold L. Cornett, Richard L. Lucas, Philip Montelepre, John G. Vickers, John R. Bourg, Rodney Braxton, Secretary Don Hutchinson, Mayor Gerald L. Johnson, Marjarioe McKeithen, Noel A. Murano, and Thomas F. McCarthy.

Board Members Absent: Gordan A. Burgess, Christopher Coulon, Rustin D. Johnson, C. Wade Shaddock, and Joe Tannehill

Louisiana Economic Development Staff Present: Ed Baker, Marylyn Friedkin, Laverne Jasek, John Jernigan, Darryl Manning, Mike Williams, Steve Windham, Bob Berling, Gwen Brinkley, and Kelsey Short.

Guest Present: Kinderlyn Haynes, Exxon Mobil; Sabrina Stark, Cindy Ashworth, Boise; Kevin Rhodes, Alliance Compressors; Mick Zatarain, Formosa; Nick Beckes, Ai-Shreveport; Tim Irons, Hauser Printing Co; Jason Patten, Stuller, Inc.; Mike Vandavelde, Cleco; Bridget B. Glaviano, IEM; Bill Crawford, Conoco Phillips; Warren Privette, Martco Partnership; W. J. Smith, Imperial Sugar Company; Doug LeBleu, Time Resources; Keith & Cathy Galloway, LA Commercial Laundry; Stacey Singleton, BPL&B; Roy Austin, Entergy; David Wright, Carey Salt Company; Warren Johnson, Ken Townley, Hollie Jones, Wal-mart; Chris Dicharry, Kean Miller, Ronar Miot, Meridian Automotive Systems, Inc.; Sandra Courville, Stuller, Inc.; Greg Mack, Farmers Rice Milling Co., Inc.; Lisa Fitzgerald, Pennzoil-Quaker State Co.; David Ngo, Dow; Lester Calvin, Trinity Marine; Gaye Gullledge, Reagan Sutton, Squire Creek Country Club; Jean Findley, Georgia Pacific Corporation; Darrell Montgomery, Michael E. Avery, Dolet Hills Lignite Co.; Mike Morrow, Todd J. Bland, John Donnan, Kaiser Aluminum; George Herbst, Certainteed Corp.; Nick Lemoine, Lemoine Consulting Services, LLC, Greg Martin, KPMG; Debra Gibson, Citgo.

Call to Order: Chairman Arthur D. Green called the meeting to order at 1:40 p.m. Chairman Green expressed congratulations to the board secretary, Mrs. Brinkley Jones, whose daughter, Tiffany Brinkley placed first runner up in the Miss Louisiana pageant.

Roll Call: Thirteen board members were present at the time of roll call.

APPROVAL OF MINUTES:

- **A motion was made by Mayor Gerald M. Johnson, seconded by Mr. Friend to approve the April 23, 2003 C & I Board minutes.**

Mr. Montelepre complimented the Board Secretary on the explicit details of the minutes.

Chairman Green reminded the Board members to submit all Travel Expense reports by June 30, 2003.

Chairman Green also introduced the newest board member; Mr. Thomas F. McCarthy from Bastrop, Retired Manager of International Paper Company.

QUALITY JOBS:

Ed Baker presented 5 new applications along with a request to defer Knight-Rikett, LLC until the August 27, 2003 board meeting.

- **A motion was made by Secretary Hutchinson, seconded by Mayor Gerald M. Johnson to approve deferral of Knight-Rikett, LLC and the remaining Quality Jobs applications. Motion carried unanimously.**

QUALITY JOBS PROGRAM

Application Summary

Application Number	Company Name	Parish	New Direct Jobs	Total Investment	Est'd 10 Year Gross Payroll	Benefit Rate %	Est'd 10 Year Payroll Credit/Rebate	Est'd State Sales/Use Tax Rebate	Est'd Local Sales/Use Tax Rebate	Est'd Net Direct State Benefit (1)	Const Jobs	Construction Payroll	SIC Code	NAICS Code
2002-0537	Al-Shreveport, LLC	Caddo	225	\$16,191,642	\$44,315,000	5/6	\$2,215,750	\$100,000	\$112,500	\$2,658,900	60	\$545,295	3714	336211
2001-0451	Express Jet Airlines, Inc.	Caddo	500	\$2,950,000	\$162,500,000	5	\$8,125,000	N/A	N/A	\$9,750,000	96	\$1,000,000	3721	336411
2002-0617	Innovative Emergency Management, E Baton Rouge Inc.		82	\$4,216,440	\$25,506,360	5/6	\$1,275,318	\$5,576	\$2,788	\$1,530,382	0			541511
2002-0580	Knight - Rikett LLC	Jefferson	22	\$2,800,000	\$8,860,000	5/6	\$531,600	\$80,000	\$20,000	\$531,600	25	\$300,000		326192
2002-0597	Meridian Automotive Systems - Shreveport Operation, Inc.	Caddo	50	\$2,880,665	\$17,832,469	5/6	\$891,623	\$115,227	\$115,227	\$1,069,948	0		3714	336211
TOTALS	5		879	\$29,038,747	\$259,013,829		\$13,039,291	\$300,803	\$250,515	\$15,540,830	181	\$1,845,295		

Restoration Tax Abatement:

Ed Baker presented two Transfer of Contract applications. Mr. Lucas asked Ed Baker if he received endorsement resolutions.

- **A motion was made by Mr. Lucas, seconded by Ms. McKeithen to approve both transfer applications. Motion carried unanimously.**

Transfer of Contract

1. Contract #1994-0224-34

From: W9/TriNet Poydras, LLC
To: CTL I Maryland, Inc.

Then

From: CTL I Maryland, Inc.
To: iStar CTL I L.P.

2. Contract #1997-0364-44

From: Karl F. Hahn
To: Charles and Melinda Hickman

Ed Baker presented two new applications.

- **A motion was made by Mr. Murano, seconded by Mr. Bourg to approve the new applications. Motion carried unanimously.**

STATE OF LOUISIANA
BOARD OF COMMERCE & INDUSTRY

RESTORATION TAX ABATEMENT PROGRAM

Staff recommends approval of the			NEW APPLICATION(S)						
Application Number	Property Owner	Project Location	Project Est'd Amount	Estimated Taxes Deferred	Perm Jobs	Const Jobs	Construction Payroll		
2002-0357-52	Janet Blocker dba J H B Property	323-25 Chartres Street New Orleans	\$700,000	\$89,234	2	20	\$320,000	EZ	QJ
2002-0407-65	Temple Properties, LLC	217 Huey P. Long Ave. Gretna	\$410,000	\$32,490	6	20	\$35,000	EZ	QJ
2	Applications	Totals	\$1,110,000	\$121,724	8	40	\$355,000		

ENTERPRISE ZONE:

Marylyn Friedkin presented an application for relocation.

- **A motion was made by Mr. Friend, seconded by Mr. Vickers to approve the relocation application. Motion carried unanimously.**

Request for Relocation of Enterprise Zones
June 25, 2003

PARISH	CITY/TOW N	DATE	FROM	TO
	Vinton	4/22/2003	CT35 BG 1	CT 35 BG 3
Calcasieu		10/27/2000	CT35 BG 1	CT 35 BG 3

For future economic growth.

Marylyn Friedkin presented one Contract Cancellation and four Contract Name and Ownership Changes.

Mr. Green inquired if Citizen's Bank was on last month's agenda? Marylyn answered, "Yes, they cancelled because they didn't create the jobs". Mr. Lucas stated, "They qualify as far as the advance notification. The employees that they hired didn't qualify, but if they had hired employees after the advance notification, they would have qualified". He also asked Marylyn if the company understood that the hiring of at least one employee would have qualified them". Marylyn answered, "No, because the new rule change requires a look at the workforce statewide".

- **A motion was made by Mr. Murano, seconded by Mr. Kleinpeter to approve all of the special request applications. Motion carried unanimously.**

Special Requests

June 25, 2003

I. Contract Cancellation

Contract 2001-0262 Citizens Bank & Trust Company of Springhill

Contract holder hire the employees prior to the receipt of the Advance Notification, therefore, no new jobs were created during the required Contract period.

Contract 1997-0131 Cadex Systems, Inc.

Company has closed.

II. Contract Name and Ownership Change

Contract 2001-001 AEP Pro Serv Inc.
To: American Electric Power Service Corporation

Contract 1999-0092 Conoco, Inc.
To: ConocoPhillips

Contract 2001-0020 Washington Parish Energy Center LLC
To: Calpine Central LP

Contract 2000-0437 Carville Energy LLC
To: Calpine Central LP

Marylyn Friedkin presented thirty-seven new applications.

Mr. Murano had questions for Wal-mart. Ms. McKeithen had questions concerning the Squire Creek Country Club's qualifying for the Enterprise Zone. Marylyn informed her that they were creating jobs. Mr. Braxton clarified that there is a Sam's and two Wal-marts on the list.

- **A motion was made by Mr. Murano, seconded by Ms. McKeithen to approve all new applications except the two Wal-marts. Motion carried unanimously.**

Mr. Lucas called to Mr. Murano's attention the fact that the two Wal-mart stores will be hiring an additional 630 new employees.

- **A motion was made by Mr. Lucas, seconded by Mr. Vickers to approve both of the Wal-mart stores. Motion carried 11 to 3.**

Enterprise Zone Program
Summary of Enterprise Zone Applications
Wednesday, June 25, 2003

Staff recommends approval of the following NEW APPLICATIONS:

APPL NUMBER	COMPANY	LOCATION	INVESTMENT	ITE	TAX RELIEF		NEW PERMANENT*		CONSTRUCTION		SIC
					**STATE	LOCAL	JOBS	SALARIES	JOBS	SALARIES	
20-020489	Academy Louisiana Co. LLC dba Academy	Slidell	\$192,869	No	\$214,578	\$8,847	83	\$4,820,000	0	\$0	5491
20-020003	Acadiana Pride Incorporated	Breaux Bridge	\$400,289	Yes	\$69,186	\$5,365	59	\$1,936,182	10	\$23,243	2092
20-020430	Brinker Louisiana Inc dba Chilis Grill & Bar	Lafayette	\$2,110,000	No	\$300,000	\$75,125	90	\$7,861,138	50	\$900,000	5812A
20-010544	Calloway Keith E. dba La Commercial Laundry	Scott	\$1,261,507	No	\$77,460	\$44,153	15	\$796,640	0	\$0	7213
20-020317	Citizens Bank & Trust Vivian dba Citizens Bank	Shreveport	\$984,930	No	\$20,530	\$15,900	5	\$440,000	11	\$112,000	6022
20-020482	City Club at River Ranch, LLC	Lafayette	\$12,173,866	No	\$578,358	\$59,016	210	\$7,848,868	200	\$498,900	9999
20-010423	Community Bank Of Louisiana	Shreveport	\$1,836,616	No	\$38,847	\$19,833	8	\$1,080,000	40	\$435,000	6022
20-020171	Consolidated Co, Inc dba Conco Food Services	Shreveport	\$0	No	\$62,500	\$0	25	\$3,870,000	0	\$0	4224
20-010389	Delta Packaging Inc.	West Monroe	\$0	Yes	\$3,096	\$0	22	\$1,667,000	0	\$0	2657
20-020053	Dufour Petroleum, Inc.	New Orleans	\$3,755,000	Yes	\$99,771	\$115,302	2	\$400,000	23	\$850,000	2813
20-020301	Family Dollar Stores Of La Inc. 5153	Simmesport	\$61,592	No	\$14,926	\$3,032	5	\$375,000	20	\$4,000	5331
20-020297	Family Dollar Stores Of La Inc. 5006	Richwood	\$74,840	No	\$15,326	\$3,885	5	\$375,000	20	\$4,000	5331
20-020291	Family Dollar Stores Of La Inc. 5281	Farmerville	\$558,554	No	\$34,842	\$30,721	5	\$375,000	20	\$4,000	5331
20-020296	Family Dollar Stores Of La Inc. 5294	Paincourtville	\$90,058	No	\$15,317	\$3,170	5	\$375,000	20	\$4,000	5331
20-020286	Family Dollar Stores Of La Inc. 5489	Baton Rouge	\$626,065	No	\$37,543	\$31,303	5	\$375,000	20	\$4,000	5331
20-020163	Grand of the East LLC dba Grand Theatre	New Orleans	\$7,064,960	No	\$640,319	\$70,159	200	\$12,415,830	100	\$2,734,980	7830
20-000226	Gulf Fish, Inc.	Houma	\$3,000,000	Yes	\$87,716	\$25,216	25	\$2,400,000	15	\$300,000	2092
20-010402	Hauser Printing Co., Inc.	Harahan	\$2,723,944	Yes	\$106,309	\$105,461	7	\$375,000	40	\$503,719	2752
20-010519	Intralox, Inc.	Harahan	\$7,027,483	Yes	\$382,683	\$233,578	74	\$4,400,000	8	\$176,000	3556
20-010267	Layne Steve R & Verna dba Steve's Sports Cards	Houma	\$0	No	\$18,000	\$0	10	\$600,000	0	\$0	5947U
20-010266	Louisiana Corral Management, LLC dba Golden	Houma	\$0	No	\$42,000	\$0	50	\$4,500,000	0	\$0	5812A
20-010424	NCL Hospitals, LLC dba Health Paradigm	Ruston	\$840,000	No	\$110,000	\$35,000	30	\$3,350,000	30	\$400,000	8361
20-010032	New Orleans Deluxe Hotel, LLC	New Orleans	\$15,650,000	No	\$200,000	\$112,500	44	\$4,819,438	250	\$5,000,000	7011D
20-000438	New Orleans Deluxe Hotel, LLC	New Orleans	\$38,900,000	No	\$640,000	\$375,000	136	\$14,758,313	600	\$15,000,000	7011D
20-020502	North Louisiana Roofing Supply, Inc.	West Monroe	\$158,000	No	\$6,900	\$1,800	2	\$126,000	25	\$25,000	5211
20-020351	O'Charleys Service Co, Inc dba O'Charleys	Monroe	\$1,274,000	No	\$297,560	\$70,070	205	\$3,712,323	111	\$507,000	5812
20-010399	P & S Surgery Center, LLC	Monroe	\$4,667,000	No	\$263,530	\$142,352	64	\$7,497,500	130	\$1,400,000	8011
20-000086	Patterson Services, Inc.	Morgan City	\$3,255,168	No	\$88,000	\$53,000	14	\$728,000	28	\$97,000	7359
20-010416	Performance Contractors, Inc.	Baton Rouge	\$8,192,000	No	\$189,500	\$187,875	9	\$1,368,000	65	\$2,275,000	1629H
20-010361	Prompt Succor Nursing Home	Opelousas	\$3,200,000	No	\$45,000	\$55,000	5	\$312,000	75	\$900,000	8051
20-020445	R J Q Management, LLC	Kenner	\$1,263,347	No	\$169,274	\$43,669	53	\$1,845,480	60	\$344,000	5817
20-010195	Sam's East Inc. dba Sams Club #8273	Shreveport	\$3,250,000	No	\$165,000	\$40,000	50	\$4,000,000	100	\$700,000	5311
20-020061	South Louisiana Sugars Coop Inc.	St. James	\$5,100,000	Yes	\$179,479	\$113,983	11	\$1,380,000	50	\$1,600,000	2061

* Represents 5 Years

** Credits Taken Over 10

BOARD OF COMMERCE & INDUSTRY
Enterprise Zone Program
Summary of Enterprise Zone Applications
Wednesday, June 25, 2003

Staff recommends approval of the following NEW APPLICATIONS:

APPL NUMBER	COMPANY	LOCATION	INVESTMENT	ITE	TAX RELIEF		NEW PERMANENT*		CONSTRUCTION		SIC
					**STATE	LOCAL	JOBS	SALARIES	JOBS	SALARIES	
20-000586	Squire Creek Country Club and Dev, LLC	Choudrant	\$24,330,376	No	\$334,494	\$169,996	41	\$5,257,417	188	\$4,857,500	6552
20-010550	Stuller, Inc.	Lafayette	\$12,217,810	Yes	\$665,527	\$254,287	168	\$21,000,000	0	\$0	3911
20-020267	Wal*Mart Louisiana LLC #0521	Lake Charles	\$7,000,000	No	\$600,500	\$75,500	210	\$17,838,697	100	\$2,500,000	5311
20-010474	Wal*Mart Louisiana LLC #0911	Marrero	\$7,000,000	No	\$1,125,500	\$75,500	420	\$33,600,000	100	\$1,000,000	4200
37		TOTALS	\$180,240,274		\$7,939,571	\$2,655,598	2,372	\$178,878,826	2,509	\$43,159,342	

INDUSTRIAL TAX EXEMPTION:

John Jernigan made a request for Bunge to be withdrawn due to a temporary restraining order issued by Judge Kelly.

Darryl Manning elaborated on the specifics of the issue, by stating that the Counsel for Bunge Corporation filed a petition in the District Court in East Baton Rouge Parish requesting a judgment preventing the Board of Commerce & Industry from modifying the contract as it exist. They also asked for a preliminary injunction and a temporary restraining order. Monday afternoon, Judge Kelly signed a temporary restraining order, which states that the C & I board will not hear anything concerning Bunge. There is a hearing scheduled for next Wednesday at 10 a.m. before Judge Kelly to determine if the temporary restraining order will be extended as a preliminary injunction.

John Jernigan also requested that Kaiser Aluminum Chemical Corporation be deferred to the August 27, 2003 meeting.

John Jernigan presented the remaining new Industrial Tax Exemption applications. Chairman Green asked if the BLC Leasing application coincides with prior lignite applications. John's answer was yes, that is exactly what it is. The leasing company bought the equipment. Dolet Hills Lignite leased the equipment from the leasing company in lieu of buying the equipment, and since the equipment is used for manufacturing, the leasing company is eligible for the exemption. Mr. Lucas recalled the inspection he and Mr. Cornett made of the plant and recommended approval of the application.

Mr. Friend questioned ExpressJet Airlines and whether aircraft maintenance can be considered product manufacturing. John Jernigan informed the board that if the aircraft maintenance is done on a contract basis, it is considered eligible. Darryl added that if the work or the service provided fits within a SIC code and is qualified within a manufacturing area. Ms. McKeithen would like to know what percentage of the business is actually manufacturing and what percentage is just routine maintenance. Chairman Green pointed out that the board has approved the same such applications in the past. Ms. McKeithen inquired if there was any difference conceptually between Joe Body Shop, who has a contract with Fleet Taxi. Mr. Montelepre stated that he doesn't see where the SIC code makes any difference and he doesn't believe aircraft maintenance is manufacturing.

Ms. McKeithen stated that we are inviting every body shop and every mechanic in the state to apply for an industrial tax exemption. Ms. McKeithen also expressed the fact that the planes are already in service. Secretary Hutchinson stated, "Technically, they aren't in service if you have to take them apart and put them back together". Ms. McKeithen's response, "That is the same thing you do for a car".

Ms. McKeithen made a motion to reject. Secretary Hutchinson made a substitute motion to approve the application.

Mr. Kleinpeter stated that he can understand the in-house maintenance operation being part of the whole manufacturing process, but this is different. This is another company doing manufacturing at that site. With the consideration of the two motions on the floor, Mr. Kleinpeter considered another motion to defer until representatives can be present. Ms. Kleinpeter asked if she could withdraw her motion to allow Mr. Kleinpeter to make his motion.

Mr. Lucas made a comment concerning aircraft refurbishing being an entirely different process. He said, "You have to have FAA inspections continually. It is not maintenance at all". After more discussion on the difference between routine maintenance and manufacturing or whether or not the intent to say maintenance on the application was a mistake, Chairman Green reminded the board about the precedence that has been set by the board in the past along with Secretary Hutchinson being in agreement that a precedent has been set. Secretary Hutchinson reminded the board that the selling point used to get the company to expand here was the fact that we would provide them certain incentives to do that. Mr. Hutchinson also suggested from this point forward getting a clarification in the future would be appropriate, but he thinks that going back on our word would be very damaging.

Ms. McKeithen suggested giving the applicant a chance to come here and explain what it is that they do. Mr. Braxton made a decision to second the substitute motion based on the fact, the staff says this facility does what the EADS does and if that is what they are doing, then, they are manufacturing planes. He is perfectly comfortable with that and he is offering a second to the substitute motion.

After clarification, the vote was 7 for and 7 against. The substitute motion did not pass.

- **A second substitute motion was made by Ms. McKeithen, seconded by Mr. Murano to defer the application submitted by ExpressJet Airlines, Inc. until the August 27, 2003 meeting to allow a representative of the company a chance to be present. Motion carried 12 to 2.**

Mr. Montelepre suggested, as a point of clarification, a copy of the definition of manufacturing be brought to the next meeting. He also stated that the discussion of what manufacturing is or isn't comes up far too often. Mr. Montelepre thinks it would be a good idea when considering this particular application next time, that we all have a copy in order to make an informed decision.

- **A motion was made by Mr. Cornett, seconded by Mr. Friend to approve the deferral of Kaiser Aluminum and Chemical Corporation, withdrawal of Bunge and approval of the remaining Industrial Tax Exemption applications. Motion carried unanimously.**

Alphabetical Listing
Board of Commerce & Industry
 Wednesday, June 25, 2003

Staff RECOMMENDS APPROVAL of the following NEW OR ADDITION Applications:

ECONOMIC IMPACT

TAX RELIEF

App'l No	Company Name	Late Filing	Location	Parish	SC Recommended	Obsolete Amount	Ineligible Amount	Perm Jobs	Permanent 10 Yr Payroll	Const Jobs	Local Sales Tax	State Sales Tax	Est'd 10Year Prop Tax Rf	Type	SIC
1	2002-0527	Alliance Compressor	Natchitoches	Natchitoches	\$10,260,142	\$0	\$0	49	\$17,668,420	10	\$406,406	\$406,406	\$1,510,293	A	3634
2	2000-0183	Barber Brothers Contracting Co., LLC	Geismar	Ascension	\$3,951,482	\$0	\$0	16	\$9,888,480	35	\$94,880	\$84,252	\$556,764	N	2951
3	2003-8010	Bio Lab Inc.	Lake Charles	Calcasieu	\$2,124,660	\$650,000	\$0	3	\$1,732,860	13	\$109,169	\$91,932	\$359,280	A	2819A
4	2002-0453	Bic Leasing Company	Mansfield	DeSoto	\$8,294,908	\$0	\$0	22	\$11,742,940	0	\$328,196	\$328,196	\$1,372,807	A	1221
5	2002-0247	Boise Cascade Corporation, Southern Operations	DeRidder	Beauregard	\$1,373,593	\$320,213	\$0	0		24	\$27,822	\$26,186	\$227,467	A	2631
6	2000-0603	Bollinger Algiers, LLC	Algiers	Orleans	\$35,117	\$0	\$0	0		0	\$1,756	\$1,405	\$8,955	A	3731
7	2000-0604	Bollinger Amelia Repair, LLC	Amelia	St. Mary	\$14,300	\$0	\$0	0		0	\$572	\$572	\$2,218	A	3731
8	2000-0599	Bollinger Calcasieu, LLC	Sulphur	Calcasieu	\$404,611	\$0	\$0	12	\$4,431,720	0	\$17,241	\$14,519	\$68,420	A	3731
9	2000-0605	Bollinger Fourchon, LLC	Golden Meadow	Lafourche	\$10,822	\$0	\$0	0		0	\$400	\$433	\$2,028	A	3731
10	2000-0597	Bollinger Gretna, LLC	Harvey	Jefferson	\$1,291,485	\$0	\$0	40	\$14,772,400	0	\$57,303	\$48,255	\$185,974	A	3731
11	2000-0606	Bollinger Larose, LLC	Larose	Lafourche	\$316,218	\$0	\$0	0		0	\$10,879	\$11,761	\$59,259	A	3731
12	2000-0607	Bollinger Marine Fabricators, LLC	Amelia	St. Mary	\$353,642	\$0	\$0	12	\$4,431,720	0	\$14,146	\$14,146	\$54,850	A	3731
13	2000-0608	Bollinger Morgan City, LLC	Amelia	St. Mary	\$53,653	\$0	\$0	0		0	\$2,146	\$2,146	\$8,322	A	3731
14	2000-0610	Bollinger Quick Repair, LLC	Harvey	Jefferson	\$199,924	\$0	\$0	12	\$4,431,720	0	\$5,962	\$5,021	\$28,789	A	3731
15	2000-0600	Bollinger Shipyard, Inc.	Lockport	Lafourche	\$1,474,507	\$0	\$0	56	\$20,681,360	0	\$54,557	\$58,980	\$276,323	A	3731
16	2001-0020	Calpine Central Lp	Bogalusa	Washington	\$240,498,426	\$0	\$0	25	\$9,545,250	300	\$5,971,344	\$5,307,861	\$33,838,129	N	4911
17	2002-0329	Cooper Cameron Corporation	Ville Platte	Evangeline	\$10,666,803	\$193,179	\$0	0		8	\$422,799	\$422,799	\$1,132,814	A	3533
18	2002-0027	Counter Top Creations, Inc.	West Monroe	Ouachita	\$70,052	\$0	\$0	5	\$1,420,100	2	\$2,589	\$2,589	\$11,180	A	3281
19	2003-8011	Deltak Manufacturing, Co.	Walker	Livingston	\$250,635	\$0	\$0	28	\$9,191,560	0	\$12,532	\$10,025	\$48,874	A	3446
20	2001-0558	Entergy Gulf States, Inc.	New Roads	Pointe Coupee	\$5,040,350	\$1,674,773	\$0	0		17	\$167,485	\$201,614	\$422,885	A	4911
21	2001-0555	Entergy Louisiana, Inc	Taft	St. Charles	\$24,160,203	\$1,144,252	\$0	0		25	\$303,692	\$303,692	\$4,259,444	A	4911
22	2001-0451	Expressjet Airlines, Inc.	Shreveport	Caddo	\$1,188,835	\$0	\$17,998	375	\$138,491,250	0	\$51,290	\$48,273	\$279,865	N	3721
23	1998-0338	Formosa Plastics	Baton Rouge	East Baton Rouge	\$21,950,051	\$0	\$0	4	\$2,310,480	605	\$768,252	\$614,601	\$3,463,718	A	2821
24	2000-0478	General Motors Corporation - Shreveport	Shreveport	Caddo	\$19,207,400	\$1,435,100	\$0	0		75	\$776,857	\$731,160	\$4,454,196	A	3711B
25	2002-0200	Geo Specialty Chemicals Inc.	Westlake	Calcasieu	\$500,000	\$0	\$0	2	\$1,155,240	4	\$19,000	\$16,000	\$84,550	N	2819
26	2001-0308	Georgia-pacific Corp	Port Hudson	East Baton Rouge	\$205,891,131	\$8,638,077	\$101,171	142	\$66,003,020	595	\$8,615,610	\$6,892,488	\$32,505,585	N	2621
27	2002-0037	Hogan Hardwoods & Moulding Inc.	Ruston	Lincoln	\$307,471	\$0	\$0	0	\$8,299	39	\$8,299	\$50,794	A	2431	
28	1999-0093	Iron Works	Springhill	Webster	\$278,852	\$0	\$0	20	\$8,726,400	0	\$13,943	\$11,154	\$36,307	N	3631
29	2001-0542	Kaiser Aluminum & Chemical Corp	Gramercy	St. James	\$7,004,480	\$0	\$0	0		25	\$69,148	\$92,198	\$1,115,813	A	2819
30	1997-0302	Production Management Industries Inc	Fourchon	Lafourche	\$530,293	\$0	\$2,844	15	\$4,924,050	21	\$21,289	\$18,119	\$99,929	A	3443
31	1998-0133	Shaw Global Energy Svcs, Inc.	Delcambre	Iberia	\$1,453,596	\$0	\$0	0		10	\$20,532	\$20,532	\$164,692	A	3498
32	2000-0195	Shell Chemical Co	Geismar	Ascension	\$479,511,535	\$804,144	\$0	5	\$2,888,100	1500	\$9,112,934	\$8,100,386	\$67,563,175	N	2869
33	2001-0550	Stuller, Inc.	Lafayette	Lafayette	\$12,211,152	\$0	\$6,658	168	\$35,305,200	0	\$201,255	\$230,006	\$1,442,923	A	3911
34	2001-0259	Trinity Marine Products	Madisonville	St. Tammany	\$150,867	\$3,200	\$0	6	\$1,969,620	0	\$7,703	\$6,163	\$40,381	A	3731
35	2001-0260	Trinity Marine Products	Brusly	West Baton Rouge	\$198,492	\$0	\$0	8	\$2,954,480	0	\$9,925	\$7,940	\$22,271	A	3731
36	2000-0490	Vulcan Materials Company	Geismar	Ascension	\$46,932,314	\$0	\$0	25	\$14,440,500	296	\$818,352	\$804,100	\$6,612,763	N	2812
Applications	36	TOTALS			\$1,108,162,002	\$14,862,938	\$128,671	1,050	\$389,106,870	3,604	\$28,526,265	\$24,944,209	\$162,372,037		

John Jernigan presented partial transfers (change in location & ownership), change in ownership only & change in name only applications.

- A motion was made by Mr. Lucas, seconded by Mr. Murano to approve all of the special requests applications. Motion carried unanimously with Mr. Cornett and Mr. Braxton out of the meeting.

PARTIAL TRANSFER OF TAX EXEMPTION CONTRACT (Change in Location & Ownership)

The following companies request a **PARTIAL TRANSFER** in location of the following contract:

Former Owner	Parish	<i>NEW OWNER</i>	PARISH
Shaw Global Energy Services, Inc. 20009089,20019133	Bossier	Shaw Process Fabricators, Inc. 2009089A,2019133A	Ouachita
Shaw Global Energy Services, Inc. 20009089,20019133	Bossier	Shaw Pipe Supports, Inc. 2009089B,2019133B	Bossier
Shaw Global Energy Services, Inc. 20009089	Bossier	Shaw Sunland Fabricators, Inc. 2009089C	Livingston
Borden Chemicals and Plastics 19015175,19949192 19959208,19947017,19959207 19969002,19969059,19969010 19969004,19969003,19989349 19979004,19979159,19979022 19979005,19999065,19999066 19999556,19999064,20009047	Ascension	Geismar Vinyls Company LP 1915175B,1949192A 1959208B,1947017A,1959207B 1969002B,1969059A,1969010B 1969004B,1969003B,1989349B 1979004B,1979159A,1979022A 1979005B,1999065A,1999066B 1999556A,1999064A,2009047A	Ascension

TRANSFER OF TAX EXEMPTION CONTRACT (Change in Ownership)

The following company/s request a TRANSFER of ownership:

FORMER OWNER	<i>New Owner</i>	PARISH
Laitram Machine Shop Inc. 1949288A, 1959312A, 1969315A, 1979371A, 1989255A 1999270A, 19999761, 20009245, 20019229	Laitram Machine Shop, LLC	Jefferson
Laitram Corporation 19949288, 19959312, 19969315, 19979371, 19989255 19999270, 19999758, 20009242, 20019231	Laitram LLC	Jefferson
Borden Chemicals and Plastics 19970250, 19013811	Geismar Vinyls Company LP	Ascension
International Petroleum Corp (All Contracts)	US Filter Recovery Services, Inc	Orleans

AMENDMENT TO TAX EXEMPTION CONTRACT

The following company/s request a NAME CHANGE to the following contract/s:

FORMER NAME	<i>NEW NAME</i>	PARISH
CMS Field Services, Inc.. 20000410	CMS Field Services Holdings Company	Calcasieu
Input/Output, Inc. 19953909, 19999301	I/O Marine Systems, Inc.	Jefferson
Air Liquide America Corporation 19970253	Air Liquide America LP	Ascension

John Jernigan presented contracts for cancellation. Chairman Green asked if inspections are made. John answered that he was advised by the assessor or the company themselves.

- A motion was made by Mr. Bourg, seconded by Ms. McKeithen to approve all of the contract cancellations. Motion carried unanimously with Mr. Cornett and Mr. Braxton out of the meeting.

CONTRACT CANCELLATIONS

COMPANY NAME	CONTRACT NUMBER		REASON FOR CANCELLATION	PARISH
Shell Chemical Company	19014710 19015010 19989249		Ceased manufacturing – Plant in Taft	St. Charles
D & H Truck Equipment	20009278		Ceased operations- <u>cancel as of 12/31/2002</u>	Lincoln
Duke Energy	19988009		Ceased operations – <u>cancel as of 12/31/2002</u>	Vernon
Freedom Printing	19999423		Ceased operations	Ouachita
Hunt Forest Products	19949312 19959151 19969121 19970466 19979077 19989116 19999241 19999695		Plant sold – new owner moved out of state	Bienville
S&G Packaging	19999231 19999853		Ceased operations- <u>cancel as of 12/31/2002</u>	Jackson
Willamette	19940187 19969062 19999582 20009051 19999050 19979069 20019069		LAM Beam Plant - <u>cancel as of 12/31/2002</u>	Lincoln
Willamette	19999581 20019067 19970334 20009056		I-Joist Plant - <u>cancel as of 12/31/2002</u>	Lincoln

**CANCELLATION FOR NON-COMPLIANCE WITH THE RULES OF THE
PROGRAM**

25 June, 2003

1	Dollar Embroidery & Cap Co., Inc.	19999077
2	LA Compressor Maintenance	19970249
3	Walker, Wheland, Inc.	19989466
4	Progressive Stamping & Plating, Inc.	19999385
5	Clear Shield National, Inc.	19980136
6	Presonus Audio Electronics, Inc.	20009277
7	Graphic Sciences, Inc.	19980502
8	Joseph & Carolyn Cypel dba J & C Machine	19980005
9	Newtron Development, Inc.	19980587
10	PDS Inc. dba Oxlite, Inc.	19990210
11	Stowe Woodward Company	19980505
12	Coating & Laminating	19999671
13	Shreveport Neon	19999013
14	Casaic Offset & Silkreen, Inc.	19990374
15	Southern Structure	20009232
16	Lapco Manu., Inc.	20000395
17	Borden Chemical	20009338

John Jernigan presented twelve contracts for renewal. Mr. Kleinpeter questioned the operations of Alois J. Binder Realty, Inc. Mr. Jernigan informed the board that the company bakes bread and sales it wholesale to grocery stores throughout the state.

- **A motion was made by Mayor Johnson, seconded by Mr. Murano to approve all of the renewal contracts. Motion carried unanimously with Mr. Cornett, Secretary Hutchinson, and Mr. Braxton out of the meeting.**

RENEWAL CONTRACTS FOR ORLEANS PARISH

Alois J. Binder Realty Inc.	19988029 & 19988027
Baroid Fluids Inc.	19999007
Bollinger Algiers LLC	19998017
Entergy New Orleans Inc.	19999005
Folger Coffee Company	19970153
Lockheed Martin Michoud Space	19999008
Mignon Faget Ltd	19970376
Scariano Brothers, LLC	19999010
Textron Marine & Land Systems	19999004
US Filter Recovery Services	19999006
United States Gypsum	19999009

MISCELLANEOUS CAPITAL ADDITIONS:

Laverne Jasek presented sixty-six new applications and an amended list showing the corrections to the SC amount for Citgo Petroleum Corp. Chairman Green commented on the detailed schedule & breakdown of purchases indicated on page 570 to be mailed by True Turn. Laverne confirmed receipt of the information.

- **A motion was made by Mr. Friend, seconded by Mr. Murano to approve all new applications. Motion carried unanimously with Leonard Kleinpeter and Harold Cornett out of the meeting.**

INDUSTRIAL TAX EXEMPTIONS
Alphabetical Listing
Board of Commerce && Industry
Wednesday, June 25, 2003

Staff RECOMMENDS APPROVAL of the following MISCELLANEOUS CAPITAL ADDITIONS

Staff RECOMMENDS APPROVAL of the following MISCELLANEOUS CAPITAL ADDITIONS										ECONOMIC IMPACT				TAX RELIEF			
Appl No	Company Name	Late Filing	Location	Parish	SC Recommended	Obsolete Amount	Ineligible Amount	Perm Jobs	Permanent 10 Yr Payroll	Const Jobs	Local Sales Tax	State Sales Tax	Est'd 10Year Prop Tax Rlf	Type	SIC		
1	2002-9397	Air Products And Chemicals, Inc.	Geismar	Ascension	\$1,916,679	\$0	\$0	0	\$0	0	\$76,667	\$76,667	\$270,060	M	2812		
2	2002-9370	Air Products And Chemicals, Inc.	St. Gabriel	Iberville	\$2,825,010	\$0	\$0	0	\$0	0	\$113,000	\$113,000	\$373,466	M	2812		
3	2002-9126	Americhol Corp. c/o Dow Chem. Co	Greenburg	St. Helena	\$92,294	\$0	\$0	0	\$0	1	\$3,035	\$2,428	\$12,670	M	2869		
4	2002-9114	Angus Chemical c/o The Dow Chemical Co Chem. Co.	Sterlington	Ouachita	\$919,930	\$0	\$0	0	\$0	8	\$35,227	\$25,619	\$146,821	M	2869		
5	2002-9353	Aviation Exteriors Louisiana, Inc.	New Iberia	Iberia	\$6,629	\$0	\$0	0	\$0	100	\$213		\$710	M	3728		
6	2002-9366	Bayou Coating, LLC	Bayou Rouge	East Baton Rouge	\$802,378	\$0	\$0	0	\$0	0	\$39,637	\$32,095	\$126,615	M	1629		
7	2002-9367	Bayou Companies , LLC	New Iberia	Iberia	\$34,719	\$0	\$0	0	\$0	0	\$1,180	\$1,389	\$3,937	M	1629		
8	2002-9271	Bayou Steel Corporation	LaPlace	St. John the Baptist	\$425,230	\$258,298	\$0	41	\$9,735,040	25	\$18,211	\$17,000	\$105,766	M	3312		
9	2002-9372	Cabot Corporation	Centrville	St. Mary	\$2,427,871	\$243,033	\$0	0	\$0	51	\$97,115	\$97,115	\$700,044	M	2895		
10	2002-9093	Certainteed Roofing Prod. Grp. (roofing Prod.)	Shreveport	Caddo	\$290,760	\$0	\$0	0	\$0	0	\$12,357	\$11,630	\$67,427	M	2952		
11	2002-9106	Chalmette Refining , LLC.	Chalmette	St. Bernard	\$1,514,784	\$0	\$0	0	\$0	10	\$37,729	\$30,183	\$260,846	M	2999		
12	2002-9358	Citgo Petroleum Corporation	Lake Charles	Calcasieu	\$813,897	\$117,918	\$0	0	\$0	15	\$12,275	\$10,337	\$157,570	M	2911		
13	2002-9359	Citgo Petroleum Corporation	Lake Charles	Calcasieu	\$3,131,895	\$2,010,407	\$0	0	\$0	48	\$67,385	\$56,745	\$869,563	M	2911		
14	2002-9360	Citgo Petroleum Corporation	Lake Charles	Calcasieu	\$4,846,334	\$107,755	\$0	0	\$0	68	\$71,909	\$60,555	\$837,736	M	2911		
15	2002-9361	Citgo Petroleum Corporation	Lake Charles	Calcasieu	\$4,979,032	\$648,037	\$0	0	\$0	65	\$2,365	\$199,161	\$951,537	M	2911		
16	2002-9362	Citgo Petroleum Corporation	Lake Charles	Calcasieu	\$4,975,593	\$1,400,436	\$0	0	\$0	1	\$117,740	\$99,149	\$1,078,187	M	2911		
17	2002-9265	Cleco Power, LLC	Mansfield	DeSoto	\$487,839	\$245,323	\$0	0	\$0	0	\$0	\$0	\$0	M	4911		
18	2002-9263	Cleco Power, LLC	Lena	Rapides	\$256,945	\$702,751	\$0	89	\$22,602,440	0	\$25,895	\$25,895	\$171,210	M	4911		
19	2002-9264	Cleco Power, LLC	Baldwin	St. Mary	\$418,469	\$65,599	\$0	23	\$5,959,760	1	\$3,782	\$3,782	\$75,079	M	4911		
20	2002-9041	Crompton Manufacturing Co Inc.	Geismar	Ascension	\$2,811,500	\$180,096	\$0	0	\$0	48	\$110,363	\$98,100	\$421,516	M	2869		
21	2002-9042	Crompton Manufacturing Co Inc.	Geismar	Ascension	\$3,307,147	\$491,664	\$0	0	\$0	48	\$75,213	\$66,856	\$535,252	M	2869		
22	2002-9355	Delta Controls Inc.	Shreveport	Caddo	\$39,829	\$0	\$0	1	\$380,580	0	\$1,593	\$1,593	\$9,236	M	3541		
23	2002-9107	Dexco Polymers c/o Dow Chemical Company	Plaquemine	Iberville	\$1,810,995	\$40,450	\$0	0	\$0	16	\$51,600	\$51,600	\$244,761	M	2869		
24	2002-9109	Dow Chemical Co	Plaquemine	Iberville	\$2,449,981	\$0	\$0	0	\$0	4	\$92,171	\$92,171	\$323,887	M	2869		
25	2002-9110	Dow Chemical Co	Plaquemine	Iberville	\$3,078,365	\$23,874	\$0	0	\$0	1	\$123,731	\$123,731	\$410,116	M	2869		
26	2002-9108	Dow Chemical Co	Plaquemine	Iberville	\$1,396,818	\$0	\$0	0	\$0	3	\$51,302	\$51,302	\$184,659	M	2869		
27	2002-9111	Dow Chemical Co	Plaquemine	Iberville	\$573,270	\$44,816	\$0	0	\$0	7	\$14,355	\$14,355	\$81,711	M	2869		
28	2002-9120	Dow Chemical Co.	Plaquemine	Iberville	\$3,283,577	\$495,695	\$0	0	\$0	21	\$121,524	\$121,524	\$499,620	M	2869		
29	2002-9116	Dow Chemical Co.	Plaquemine	Iberville	\$393,582	\$41,826	\$0	0	\$0	8	\$6,111	\$6,111	\$52,032	M	2869		
30	2002-9117	Dow Chemical Co.	Plaquemine	Iberville	\$2,327,106	\$877,350	\$0	0	\$0	10	\$114,787	\$114,787	\$423,629	M	2869		
31	2002-9118	Dow Chemical Co.	Plaquemine	Iberville	\$1,855,491	\$216,980	\$0	0	\$0	17	\$58,579	\$58,579	\$245,296	M	2869		
32	2002-9119	Dow Chemical Co.	Plaquemine	Iberville	\$1,997,159	\$70,111	\$0	0	\$0	16	\$59,859	\$59,859	\$273,293	M	2869		
33	2002-9121	Dow Chemical Co.	Plaquemine	Iberville	\$2,452,838	\$153,546	\$0	0	\$0	13	\$86,593	\$86,593	\$344,564	M	2869		
34	2002-9113	Dow Chemical Company	Plaquemine	West Baton Rouge	\$2,771,084	\$162,726	\$0	0	\$0	29	\$96,693	\$77,355	\$310,916	M	2869		
35	2002-9122	Dow Chemical Company	Plaquemine	West Baton Rouge	\$2,504,393	\$19,826	\$0	0	\$0	0	\$95,593	\$76,474	\$283,217	M	2869		
36	2002-9127	Dow Chemical Company	Greenburg	St. Helena	\$1,924,905	\$113,534	\$0	0	\$0	16	\$59,094	\$59,094	\$269,482	M	2869		
37	2002-9128	Dow Chemical Company	Plaquemine	Iberville	\$2,752,096	\$196,558	\$0	0	\$0	37	\$66,517	\$66,517	\$389,812	M	2869		
38	2002-9112	Dow Chemical Company	Plaquemine	West Baton Rouge	\$1,855,530	\$754,515	\$0	0	\$0	15	\$104,917	\$83,934	\$292,847	M	2869		
39	2002-9115	Dow Hydrocarbon & Resource Inc. c/o Dow Chem.	Napoleonville	Assumption	\$721,261	\$0	\$0	0	\$0	7	\$21,085	\$18,742	\$112,012	M	2869		
40	2002-9124	Dupont Dow Elastomers c/o Dow Chem. Co.	Plaquemine	Iberville	\$1,858,876	\$0	\$0	0	\$0	23	\$74,355	\$74,355	\$245,743	M	2869		
41	2002-9125	Dupont Dow Elastomers c/o Dow Chem. Co.	Plaquemine	Iberville	\$2,833,023	\$453,772	\$0	0	\$0	33	\$85,194	\$85,194	\$372,394	M	2869		
42	2002-9123	Dupont Dow Elastomers c/o Dow Chem. Co.	Plaquemine	Iberville	\$1,583,094	\$258,816	\$0	0	\$0	16	\$50,806	\$50,806	\$243,500	M	2869		
43	2002-9365	Elmer Candy Corporation	Ponchatoula	Tangipahoa	\$891,431	\$460,625	\$0	0	\$0	0	\$44,858	\$35,886	\$117,111	M	2066		
44	2002-9266	Exxon Mobil Corp.- Baton Rouge Refinery	Baton Rouge	East Baton Rouge	\$2,251,288	\$0	\$0	0	\$0	67	\$28,489	\$22,791	\$355,253	M	2911		
45	2002-9267	Exxon Mobil Corp.- Baton Rouge Refinery	Baton Rouge	East Baton Rouge	\$3,237,107	\$0	\$0	0	\$0	11	\$146,371	\$118,519	\$510,815	M	2911		
46	2002-9268	Exxon Mobil Corp.- Baton Rouge Refinery	Baton Rouge	East Baton Rouge	\$4,832,469	\$0	\$0	0	\$0	151	\$52,795	\$42,749	\$762,564	M	2911		
47	2002-9269	Exxon Mobil Corp.- Baton Rouge Refinery	Baton Rouge	East Baton Rouge	\$4,105,960	\$2,836	\$0	0	\$0	97	\$60,937	\$49,342	\$648,368	M	2911		
48	2002-9270	Exxon Mobil Corp.- Baton Rouge Refinery	Baton Rouge	East Baton Rouge	\$3,491,092	\$0	\$0	0	\$0	74	\$81,081	\$65,653	\$550,894	M	2911		
49	2002-9104	Farmers Rice Milling Company, Inc,	Lake Charles	Calcasieu	\$938,853	\$29,866	\$0	0	\$0	0	\$32,124	\$30,234	\$224,646	M	2044		
50	2002-9061	Gordon Sales Inc.	Bossier City	Bienville	\$148,521	\$0	\$0	0	\$0	0	\$0	\$0	\$0	M	3446		
51	2002-9403	International Paper Company	Bastrop	Morehouse	\$3,558,709	\$250,000	\$0	0	\$0	20	\$105,054	\$93,381	\$361,066	M	2621		
52	2002-9404	International Paper Company	Bastrop	Morehouse	\$4,582,275	\$1,037,311	\$0	0	\$0	20	\$157,789	\$140,257	\$532,737	M	2621		

Alphabetical Listing
Board of Commerce & Industry
Wednesday, June 25, 2003

	Appl No	Company Name	Late Filing	Location	Parish
53	2002-9408	International Paper Company		Bastrop	DeSoto
54	2002-9411	International Paper Company		Bastrop	Morehouse
55	2002-9412	International Paper Company		Bastrop	Morehouse
56	2002-9415	International Paper Company		Mansfield	DeSoto
57	2002-9039	Kajun Kettle Foods, Inc.		Jefferson	Jefferson
58	2002-9131	Martco Limited Partnership, Plywood Plt.		Chopin	Natchitoches
59	2002-9040	Meadwestvaco Corp.		DeRidder	Beauregard
60	2002-9105	Mr. Jhn Anthony Manno, Sr. & Angelina Bruneo Manno		Shreveport	Caddo
61	2002-9091	O'leary Brothers Signs & Awnings Inc.		Bunkie	Avoyelles
62	2002-9102	Pennzoil-quaker State Company		Shreveport	Caddo
63	2002-9103	Pennzoil-quaker State Company		Shreveport	Caddo
64	2002-9100	Southland Printing Company, Inc.		Shreveport	Caddo
65	2002-9165	Southwestern Electric Power Company		Shreveport	DeSoto
66	2002-9101	True Turn Machine, Inc.		Bossier City	Bossier

Parent Payroll	Const Jobs	Local Sales Tax
\$0	0	\$653,550
\$0	20	\$145,920
\$0	20	\$101,000
\$0	0	\$75,280
50,190	6	\$6,300
\$0	0	\$5,480
\$0	31	\$36,860
\$0	75	\$75,420
12,360	0	\$3,170
\$0	0	\$17,070
\$0	0	\$13,660
30,000	0	\$19,370
\$0	3	\$9,990
\$0	0	\$2,150

Rate	Est'd 10Year
Tax	Prop Tax Rlf
55	\$475,84
27	\$1,007,82
81	\$469,16
80	\$608,56
10	\$47,05
80	\$20,16
95	\$143,63
85	\$411,53
24	\$6,35
71	\$232,24
57	\$130,91
31	\$105,69
93	\$89,64
55	\$8,45

TOTALS

FILM AND VIDEO:

Ed Baker informed the board that the Film & Video program would be approved by the Secretary from now on as voted on by the Legislature.

INSPECTIONS:

Mike Williams reported on the inspections primarily being done by Vickie Rester and some by John Jernigan. He also commented on the efforts made by Marylyn Friedkin to catch up the employee certifications and the intent to hire more help in the near future.

OLD BUSINESS:

Bob Berling presented an application submitted by Tembec USA LLC to amend the name on the contract to Tembec Industries USA, Inc.

- **A motion was made by Mr. Braxton, seconded by Mr. Murano to add the application submitted by Tembec LLC to the agenda. Motion carried unanimously with Mr. Cornett, Mayor Johnson, and Ms. McKeithen out the remainder of the meeting.**
- **A motion was made by Secretary Hutchinson, seconded by Mr. Murano to amend the contract by adding Tembec Industries USA, Inc. Motion carried unanimously.**

POLICY & RULES COMMITTEE MEETING:

Mr. Lucas pointed out that there were two main changes on the agenda as adopted, passed and recommended by the Policy & Rules Committee affecting the Quality Jobs Program and the Enterprise Zone Program.

Darryl Manning gave an overview of the new rule changes affecting both the Quality Jobs and the Enterprise Zone program as referenced by the informational packets that were handed out. The set of rule changes were approved by the board several months ago. Both amendments were published as notice of intent in the Louisiana Registry in December, 2002. The process for amending rules calls for a period to receive comments from the public. Based upon those comments, the department is recommending some changes to that notice of intent before complying. If the board approves these changes, these rules will become final.

Mr. Montelepre recommended postponement of voting on the rules changes to allow all of the board members a chance to review the changes. Mr. Lucas asked if all the board members received the changes. Mr. Murano reminded the board that the rules were passed out and time was spent going over them. Mr. Lucas recommended that following the meeting, all the changes for the Quality Jobs and the Enterprise Zone be forwarded to all of the members.

- **A motion was made by Mr. Montelepre, seconded by Mr. Murano to approve all the rules changes adopted at the Policy & Rules Committee meeting earlier. Motion carried 10-1.**

Mr. Williams asked if the approval included the Industrial Tax Exemption changes as well and the board concurred.

POLICY AND RULES COMMITTEE MEETING MINUTES

BATON ROUGE, LOUISIANA

JUNE 25, 2003

Board Members Present: Leonard Kleinpeter, Harold L. Cornett, Rodney Braxton, John Friend, Arthur D. Green, Richard L. Lucas, Philip Montelepre, Noel A. Murano, John G. Vickers, and Marjaroie McKeithen.

Board Members Absent: John R. Bourg, Sr., Gordan A. Burgess, Christopher Coulon, Secretary Don Hutchinson, Mayor Gerald M. Johnson, Rustin D. "Rusty" Johnson, Marjaroie McKeithen, C. Wade Shaddock, Joe Tannehill, and Thomas F. McCarthy.

Staff Present: Ed Baker, Marylyn Friedkin, Laverne Jasek, John Jernigan, Darryl Manning, Mike Williams, Steve Windham, Bob Berling, and Gwen Brinkley.

Roll Call: Nine members were present at the time of roll call. Ms. McKeithen arrived after the roll call for a total of ten.

Mr. Lucas presented two main items for discussion:

- **Changes in the wording in certain incentives, specifically the changes in the Enterprise Zone Rules**
- **A new Economic Development incentive from the Economic Development Department being place in the rules**

QUALITY JOBS RULES CHANGES:

1. Initial Sales & Use Tax Rebate Notification: An employer who receives a Quality Jobs Act contract and who meets the requirements for sales and use tax rebates as authorized in R.S. 51:1787 and § 1121 of these rules, will satisfy the advance notification requirement for sales and use tax rebates for the initial period of the Quality Jobs Act contract by submission of the Quality Jobs Act Program advance notification referred to in § 1107 of these rules. The initial sales and use tax rebate period may begin on or after the Quality Jobs Act contract effective date and shall be no longer than twenty-four months, except to the extent that a longer period is authorized under the Enterprise Zone Program. In order to receive rebates of local sales and use taxes, the employer must satisfy the provisions of § 1121.B of these rules.

2. Subsequent Sales and Use Tax Rebate Periods: On the expiration of the initial sales and use tax rebate period under the Quality Jobs Act contract, an employer may file additional advance notifications of Form __, "Quality Jobs Act Sales and Use Tax Rebate Advance Notification", to seek additional state and local sales and use tax rebates as authorized in R.S. 51:1787 and § 1121 of these rules if the employer meets the hiring requirements as defined in the Enterprise Zone Program and meets the other limitations, procedures, and requirements of R.S. 51:1787 and the rules promulgated there under, Louisiana Administrative Code, Title 13, Part I, chapter 7, for each subsequent sales and use tax rebate period during the term of the Quality Jobs Act contract. Each subsequent sales and use tax rebate period shall be no longer than twenty-four months, except to the extent that a longer period is authorized under the Enterprise Zone Program. The local endorsement resolution requirements of §1121.B shall apply to each subsequent sales and use tax rebate period for which an employer under a Quality Jobs Act contract seeks the rebate of local sales and use taxes.

These rules changes were proposed to the department, under negotiations and discussions. These changes were authorized by the department and approved. The department agrees with the recommendation that proposed rules be amended as suggested. This will allow companies to apply for additional sales tax rebates every two years of the ten year life of the Quality Jobs contract. This is a new section, 1123C and reads as I have just read it. Mr. Lucas asked the members of the committee to vote to recommend to the board that the changes be made to the rules.

- **A motion was made by Mr. Cornett, seconded by Mr. Vickers to approve the Initial Sales and Use Tax Rebate. Motion carried unanimously.**

New Direct Jobs

La. R.S. 51:2453(4) which defines the term "new direct job" contains ambiguous restrictions concerning job shifts due to the gain or loss of an in state contract to supply goods and services." The proposed Regulations merely restate the ambiguous statute. The ambiguous provisions should be clarified; accordingly, we recommend that the provisions of § 1103 dealing with the definition of "New Direct Job" under § 2.d be amended to read as follows:

- d. shall not be a job created by an employer as a result of the employer securing a contract to supply goods and services in the state of Louisiana, if another business was under an obligation to supply the same goods and services from a facility located in Louisiana and such obligation was terminated within three months prior to filling the job by the employer.

The Department agrees with the comments and recommends that the proposed rule be adopted as suggested.

- **A motion was made by Mr. Braxton, seconded by Mr. Friend to approve the New Direct Jobs changes. Motion carried unanimously.**

Those suggestions made to the Department of Economic Development that were not adopted will not be addressed, only the ones that will be proposed for adoption and recommended to the board.

Information Updating

The direct state employer multipliers referred to in §1105.A.5.b.i. of the Proposed Regulations will have to be updated on a regular basis. The Department of Economic Development (“DED”) is the proper agency to undertake such updating; accordingly, §1105.A.5.b.i. should be amended to add the following language: The Department will keep and update the official information regarding such codes and multipliers.

The Department partially disagrees with the above comment. The Department believes that the suggested change would make the Department responsible for generating or originating the updated information. The Department recommends that the proposed rule be amended to state that the most current edition of this information will be used in the updating. With this particular information updating, what the Department is recommending is that the most current addition of this information be used for updating.

- **A motion was made by Mr. Murano, seconded by Mr. Kleinpeter to approve the Information Updating changes. Motion carried unanimously.**

Contingent Fee Contracts

La. R.S. 51:2454.C.(2)(b)(i) places a limitation on the use of contingent fee contracts in connection with obtaining benefits. The ambiguous statutory language needs to be clarified such that an employer who grows to exceed fifty (50) net new jobs by the time it applies for its renewal contract will not be adversely impacted. Accordingly, §1117.C.4 of the Proposed Regulations should be amended to add the following to the existing proposed language:

If an employer employs less than fifty employees and enters into such contract, this provision will not prohibit such employer from being eligible for a Quality Jobs Act Program contract renewal. However, if at the time of such renewal, such employer employs more than fifty employees, he will not be eligible for renewal if he has entered into a contract where required payment is contingent upon success in obtaining benefits related to the contract renewal.

The Department agrees with this and should be entered into the rules.

- **A motion was made by Mr. Vickers, seconded by Mr. Cornett to approve the Contingent Fee Contracts rules changes. Motion carried 9-1.**

Darryl Manning briefly went over some technical changes in the numbering aspect of the rule changes. Under §1103. Definitions: Affiliate—1C changes were made to read: “which is controlled by an entity described in a or b”.

- **A motion was made by Mr. Braxton, seconded by Mr. Vickers to approve the technical changes to §1103.1.C . Motion carried 9-1.**

Darryl Manning also informed the board of changes made to §1117. The Contract: E2 should read “After the employer’s fiscal year for which the employer applied for his third annual rebate”, if at any time other than the time during the ten-year contract period the employer applies for a rebate following the end of the employer’s fiscal year and the verified gross payroll for the fiscal year does not demonstrate the required minimum of five new direct jobs and the gross payroll does not equal or exceed a total of \$500,000 or 250,000, whichever is applicable to said contract, the rebates shall be suspended and shall not be resumed until such time as the payroll and job requirements are met. No rebate shall accrue or be paid to the employer during a period of suspension.

- **A motion was made by Mr. Cornett, seconded by Mr. Friend to approve the changes to §1117.E.2. Motion carried 9-1.**

Darryl Manning also informed the board of changes made to 1123. Rebate Claim Filing: A5 to read: If the actual verified “annual” gross payroll for the employer’s third annual fiscal year does not show a minimum of five (5) new direct jobs and does not equal or exceed a total annual payroll of \$500,000 or \$250,000, whichever is applicable, the employer will be determined to be ineligible under this Chapter. The Department of Revenue will be notified and the tax liability for the current tax period in which the failure to meet the requirements occurs shall be increased by the amount of rebates previously allowed.

- **A motion was made by Mr. Vickers, seconded by Mr. Murano to approve the changes to §1123.A.5. Motion carried unanimously.**

ENTERPRISE ZONE RULES CHANGES:

Section 721. Items Eligible for Sales/Use Tax Rebate

Changes made to §721(C): Machinery and/or equipment purchased for the Enterprise Zone project site during the Project/Construction Period are eligible for sales/use tax rebates provided that the machinery and equipment are used exclusively at the project site, are owned by an entity named in the enterprise zone contract with the state, and are intended to remain permanently at the project site for the expected useful life of the machinery and equipment.

Changes made to §721(D): Machinery and/or equipment transferred into Louisiana for the Enterprise Zone project site during the Project/Construction Period are eligible for sales/use tax rebates provided that the machinery and equipment are used exclusively at the project site, are owned by an entity named in the enterprise zone contract with the state, and are intended to remain permanently at the project site for the expected useful life of the machinery and equipment.

Changes made to §721(G): Lease-purchases may be eligible for a sales/use tax rebate upon LDOR's approval. The property acquired through lease-purchase must be used exclusively at the project site, must be owned by an entity named in the enterprise zone contract with the state, and must be intended to remain permanently at the project site for the expected useful life of the machinery and equipment. A copy of the lease-purchase agreement must be submitted with the Claim for Rebate Request to LDOR, Office of Audit Division.

Changes made to §721(A): Materials that are permanently installed at the Enterprise Zone project site during the Project/Construction Period are eligible for sales/use tax rebates.

Changes made to §721(B): Materials that originate from a contractor/subcontractor's inventory and are permanently installed at the Enterprise Zone project site during the Project/Construction Period are eligible for sales/use tax rebates. In order for rebates to be issued on property withdrawn from inventory, the contractor/subcontractor must maintain sufficient records and provide sufficient information to enable the LDOR to verify that Louisiana sales or use taxes were paid on the property for which rebate is claimed.

- **A motion was made by Ms. McKeithen, seconded by Mr. Cornett to approve rule changes to §721(A) (B) (C) (D) & (G). Motion carried unanimously.**

Mr. Kleinpeter asked who follows up to make sure if the equipment is still there, and if revenue does their job, etc. Marylyn answered, "Yes, we make inspections".

Mr. Montelepre inquired about the level of compliance of the inspections. Mr. Green suggested continuing the discussion on the inspections at the board meeting.

Ms. McKeithen suggested changing the language on page four of the Recommendations for Proposed Revisions to the Quality Jobs Program, under Contingent Fee Contracts as it reads "If an employer employs less than fifty employees".

The language in §1117.C.4 was changed to read "If an employer employs fifty or less employees, etc.

- **A motion was made by Ms. McKeithen, seconded by Mr. Braxton to approve amended changes to §1117.C.4. Motion carried unanimously.**

NEW INDUSTRIAL TAX INCENTIVE:

Assistant Secretary Steve Windham gave an overview of the proposed new rules changes incurred as a result of substantial job creations associated with existing Louisiana manufacturers that make capital additions within facilities here in Louisiana. The existing program requires that the original cost associated with manufacturing subsequent exemptions when replacing original property be reduced by the original cost of the equipment. For instance, if you buy a \$10,000 computer and replace it with a \$15,000.00 computer, you have to reduce the second contract by \$10,000.00.

The proposal is to add new language to §1513.7 concerning relocations. As it reads now: Capital additions for remodeling an existing manufacturing may be exempted if replacements are made on the capital expenditures in excess of the original cost shall be eligible for tax exemption. The new language to be added reads: A deduction for the original cost of the property to be replaced shall not be made if the project will contribute to additional unemployment in this state of at least 499 new jobs and the capital addition exceeds \$50,000,000.00. After further discussion and elaboration, approval of the new rule is as follows.

- **A motion was made by Mr. Kleinpeter, seconded by Mr. Friend to approve the new rule change. Motion carried unanimously.**

Mr. Montelepre reminded the board of a request he made two months ago in Monroe at the April 23rd board meeting, to be given the rules in an organized fashion, because it is essential to the obligation of the board to be informed with the rules that apply on an automatic systematic basis.

NEW BUSINESS:

Chairman Green reminded the board of the need to elect a new chairman and co-chairman of the board usually done at the annual meeting.

- **A motion was made by Mr. Kleinpeter, seconded by Mr. Montelepre to re-elect both the chairman and the co-chairman for the remainder of the term. Motion carried unanimously.**
- **A motion was made by Mr. Braxton, seconded by Mr. Murano to add Imperial Sugar Company to the agenda. Motion carried unanimously.**

Bob Berling presented an application for Imperial-Savannah LP. To qualify for this exemption, the applicant must be a Louisiana manufacturing plant currently in operation. The applicant must be able to demonstrate that with the aid of the exemption, they will remain a viable company that will continue to grow and prosper in Louisiana. The staff recommends that an exemption be granted provided that a minimum job level is maintained throughout the duration of the contract. The company has submitted a written request to substitute the Industry Assistance Program and not the Quality Jobs Program. The Quality Job statues prohibit the company from using both Quality Jobs Program and Industry Assistance. Chairman Green asked if the Governor's request was received. Mr. Braxton indicated that the request was submitted by the Governor. Mr. Lucas asked if there was a properly completed application and a check. Mr. Berling indicated that the fee has been received, but the application, though pretty much in order was submitted in slide form. Mr. Montelepre asked how much money is involved. Mr. Berling stated that to his understanding, the company is asking for a million dollars. Mr. Lucas stated that it would have to be for a period of five years. Chairman Green reminded the board that if it is approved it would have to be based on a reasonable chance that the company would recover. Mr. Montelepre's understanding is that they want to add twenty-five jobs to the Grammercy plant and also be able to retain the 317 jobs. Mr. Berling stated, "The Industry Assistance program" is a job retention program, and prior to coming to the board, the department has come up with a recommendation on the number of jobs the company is required to retain". Secretary Hutchinson asked for clarification on why the necessity to have a decision at this time. Steve Windham commented that time wise, in order to get into the sugar harvesting and sugar processing season, which is November, the company needs to be up and running and processing by mid October. It has to go to the general budget committee in August and it takes a few weeks prior to the meeting to be added to the agenda. Mr. Montelepre suggested that since the Secretary's office has approved it, and the sugar cane won't wait...Chairman Green commented on how dangerous it would be to pledge more than a million dollars of the state's money without the opportunity to even look at the application.

After further discussion by board members and questions from Chairman Green and Mr. Lucas concerning what the alternative would be if the exemption is not granted, being at risk of losing the refinery, how many employees are at the refinery, how many refineries would be left in Louisiana, the period of time the exemption would be needed, the difference between a sugar mill and a refinery, and the operating income, along with clarification that 345 jobs instead of the 317 as indicated by the governor's report would be retained, were all answered by comments from a company representative prior to approval of the exemption for Imperial Sugar Company. Chairman Green commented that it is very bad public policy for the board to vote on a very complicated issue without having been able to read it. Mr. Montelepre reminded the board that he voted against having these meetings every two months, and this is an example of why.

- **A motion was made by Mr. Montelepre, seconded by Mr. Braxton, to approve the application requesting an exemption for five years for 1 million dollars providing there is a stipulation in the contract that the company will retain 345 jobs. Motion carried unanimously.**

Mr. Montelepre brought up new legislation; one of which is a bill concerning how conflicts of interest are handled by the board allowing the board member to recuse himself from voting on a matter which would cause him to be in violation of the Code of Governmental Ethics. Chairman Green indicated that the bill was passed by the legislature and the Governor will probably sign it and it won't become effective until August 15. Mr. Montelepre stated that he thinks the bill was prompted by people who have an interest in the past policy and history of this board. He also stated that we don't have to accept this, and maybe we should consider asking the Governor not to sign it.

Mr. Kleinpeter stated that he remembers when the board used to get a legislative overview of what was out there, that was going to be affecting our business. There was a legislative report just prior to or during the session. There may be something out there that we need to know.

MEETING ADJOURNED

